

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,
Debtor.

Bankruptcy Case No. 13-53846

Honorable Thomas J. Tucker

Chapter 9

CITY OF DETROIT’S OBJECTION TO CLAIM NUMBER 1075

The City of Detroit, Michigan (“City”) files its *City of Detroit’s Objection to Claim Number 1075* (the “Objection”). Proof of claim number 1075 (“Claim 1075,” attached as Exhibit 6-1) is inappropriate because it does not claim that the City owes any money to General Shale Brick, Co. (“GSB”). Instead, GSB asserts an interest in money owed to Michael Beydoun (“Beydoun”), as asserted in Beydoun’s Claim Number 201 (“Claim 201,” attached as Exhibit 6-2). The City will address GSB’s garnishment claim by asking the Court to determine the competing interests to Claim 201 via separate motion filed contemporaneously with this Objection. In the meantime, as the City owes no money to GSB directly, Claim 1075 should be disallowed.

BACKGROUND

1. Beydoun was injured in an automobile accident which occurred on May 19, 2008. On April 26, 2011, a judgment was entered against the City in Wayne County Circuit Court case number 09-026647-NI in the amount of

\$2,056,998.50. Exhibit 6-2 (attached to Claim 201). This was a “third party” case brought under MCL 500.3135.

2. On June 3, 2011, the Wayne County Circuit Court further awarded \$4,231.08 in costs, \$25,560.00 in attorneys’ fees, and \$108,200.50 in interest up through June 30, 2011. Exhibit 6-2 (attached to Claim 201). This order closed the case, and the City appealed. The appeal was decided against the City well after the City had filed its bankruptcy petition.

3. On December 11, 2013, Beydoun and his attorney, Raymond Guzall III, filed Claim 201 in the amount of \$2,334,113.50 based on the court judgment and subsequent award of fees and costs. Claim 201. Beydoun calculates his claim as including post-petition interest, even though his claim is unsecured.

4. As explained in the *City of Detroit’s Objection to Claim Number 201* (“Claim 201 Objection,” Doc. No. 11622), unsecured claims are not entitled to post-petition interest. The City thus filed the Claim 201 Objection, seeking allowance of Claim 201 in the amount of \$2,293,293.06, \$20,000 to be paid in cash and \$2,273,293.06 to be allowed as a general unsecured Class 14 claim.

5. On February 18, 2014, GSB filed Claim 1075, asserting a \$27,271.94 claim against the City. Claim 1075 is based on a writ of garnishment issued on April 28, 2011, which is based on a judgment issued on June 28, 2007, in case 06-44397-GCT in the Twentieth Judicial District Court for the State of Michigan.

6. In addition to GSB, Kajy Development, L.L.C. (“Kajy”) also served a writ of garnishment for \$168,017.21 on the City. This writ was issued on May 20, 2011, and was based on a judgment issued on October 15, 2007, in Case Number 07-713584-C (*Kajy Development, LLC v. Michael Beydoun*) in the Third Judicial Circuit Court for the State of Michigan (attached as Exhibit 6-3). To resolve these claims, the City will file a motion to determine the respective rights of Beydoun, GSB, Kajy, and others to Claim 201, once the objection to Claim 201 has been resolved so that the total amount to be apportioned is settled.

7. GSB and Kajy each have an interest in Claim 201, not a direct claim against the City. *See Brickell v. Dunn (In re Brickell)*, 142 Fed. Appx. 385 (11th Cir. 2005) (allowing garnishment of a creditor’s claim in a bankruptcy case); *cf. Nyland, Inc. v. Vogel (In re Ocean Downs Racing Ass’n, Inc.)*, 164 B.R. 249 (Bankr. D. Md. 1993) (suggesting that the proper procedure to garnish a creditor’s claim is to seek a transfer under Fed. R. Bank. P. 3001(e)(2)). In other words, they each have an interest in collecting whatever Claim 201 may yield, rather than a direct claim based on a prepetition obligation incurred by the City.

8. GSB’s proof of claim, asserting a direct claim against the City, is thus improper.

9. Accordingly, the City asks that the Court enter the proposed order appended as Exhibit 1.

October 13, 2016

Respectfully submitted,

By: /s/ Marc N. Swanson

Jonathan S. Green (P33140)

Marc N. Swanson (P71149)

MILLER, CANFIELD, PADDOCK AND
STONE, P.L.C.

150 West Jefferson, Suite 2500

Detroit, Michigan 48226

Telephone: (313) 496-7591

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green@millercanfield.com

swansonm@millercanfield.com

and

Charles N. Raimi (P29746)

Deputy Corporation Counsel

City of Detroit Law Department

2 Woodward Avenue, Suite 500

Coleman A. Young Municipal Center

Detroit, Michigan 48226

Telephone: (313) 237-0470

Facsimile: (313) 224-5505

raimic@detroitmi.gov

ATTORNEYS FOR THE CITY OF DETROIT

EXHIBIT LIST

Exhibit 1 Proposed Order

Exhibit 2 Notice of Objection

Exhibit 3 None

Exhibit 4 Certificate of Service

Exhibit 5 None

Exhibit 6-1 Claim 1075

Exhibit 6-2 Claim 201

Exhibit 6-3 Kajy Development LLC Garnishment

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,

Debtor.

Bankruptcy Case No. 13-53846

Honorable Thomas J. Tucker

Chapter 9

**[PROPOSED] ORDER SUSTAINING
CITY OF DETROIT’S OBJECTION TO CLAIM NUMBER 1075**

This matter having come before the Court on the *City of Detroit’s Objection to Claim Number 1075* (“Objection”), upon proper notice and a hearing, the Court being fully advised in the premises, and there being good cause to grant the relief requested,

THE COURT ORDERS THAT:

1. The Objection is sustained.
2. Proof of claim number 1075 is disallowed and expunged.
3. The City’s claims agent is authorized to update the claims register in accordance with the terms of this Order.
4. The Court retains jurisdiction over any and all matters arising from the interpretation or implementation of this Order.

EXHIBIT 2 – NOTICE

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,

Debtor.

Bankruptcy Case No. 13-53846

Honorable Thomas J. Tucker

Chapter 9

NOTICE OF OBJECTION TO CLAIM

The City of Detroit has filed an objection to a claim in this bankruptcy case which may affect you.

The claim may be reduced, modified, or denied. You should read these papers carefully and discuss them with your attorney, if you have one.

If you do not want the Court to deny or change your claim, then on or before November 9, 2016, you or your attorney must:

1. File with the court a written response to the objection, explaining your position at:

United States Bankruptcy Court
211 W. Fort St., Suite 1900
Detroit, Michigan 48226

If you mail your response to the court for filing, you must mail it early enough so that the court will **receive** it on or before the date stated above. All attorneys are required to file pleadings electronically.

You must also mail a copy to:

Miller, Canfield, Paddock & Stone, PLC
Attn: Marc N. Swanson
150 West Jefferson, Suite 2500
Detroit, Michigan 48226

2. Attend the hearing on the objection, scheduled to be held on **November 16, 2016**, at **1:30 p.m.** in Courtroom 1925, United States Bankruptcy Court, 211 W. Fort Street, Detroit, Michigan, unless your attendance is excused by mutual agreement between yourself and the City's attorney. (Unless the matter is disposed of summarily as a matter of law, the hearing shall be a pre-trial conference only; neither testimony nor other evidence will be received. A pre-trial scheduling order may be issued as a result of the pre-trial conference.)

If you or your attorney do not take these steps, the Court may deem that you do not oppose the objection to your claim, in which event the hearing will be canceled, and the objection sustained.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
Telephone: (313) 496-7591
Facsimile: (313) 496-8451
swansonm@millercanfield.com

Dated: October 13, 2016

EXHIBIT 4 – CERTIFICATE OF SERVICE

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:

City of Detroit, Michigan,
Debtor.

Bankruptcy Case No. 13-53846

Judge Thomas J. Tucker

Chapter 9

The undersigned hereby certifies that on October 13, 2016, he caused a copy of the *City of Detroit's Objection to Claim Number 1075* to be served upon all parties registered for ECF service and by first class mail to the following parties:

Raymond Guzall III, P.C.
31555 West Fourteen Mile Road
Suite 320
Farmington Hills, MI 48334

Barry A. Seifman
Barry A. Seifman, P.C.
30445 Northwestern Hwy, #310
Farmington Hills, MI 48334

David W. Warren
Joelson Rosenberg, PLC
30665 Northwestern Hwy, #200
Farmington Hills, MI 48334

Michael Beydoun
6307 Heyen
Dearborn Heights, MI 48127

David B. Landry
Nancy Vayda Dembinski
Landry, Mazzeo & Dembinski PC
37000 Grand River, Ste 200
Farmington Hills, MI 48335

General Shale Brick, Inc.
c/o John Colucci
33659 Angeline
Livonia, MI 48150

Kajy Development, L.L.C.
c/o David W. Yaldo
4036 Telegraph Road, Suite 204
Bloomfield Hills, MI 48302

Dated: October 13, 2016

By: /s/ Marc N. Swanson

Marc N. Swanson (P71149)
150 West Jefferson, Suite 2500
Detroit, Michigan 48226
Telephone: (313) 496-7591
Facsimile: (313) 496-8451
swansonm@millercanfield.com

EXHIBIT 6-1

Claim 1075

B10 (Official Form 10) (04/13) (Modified)

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT of MICHIGAN		RECEIVED PROOF OF CLAIM FEB 18 2014 KURTZMAN CARSON CONSULTANTS COURT USE ONLY
Name of Debtor: City of Detroit, Michigan		Case Number: 13-53846
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): General Shale Brick Company		<input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where notices should be sent: General Shale Brick Company C/O John Colucci, Esq. 33659 Angeline, Livonia, MI 48150 734.956.0660 coluccilawfirm@gmail.com Telephone number: _____ email: _____		
Name and address where payment should be sent (if different from above): Telephone number: _____ email: _____		<input checked="" type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
1. Amount of Claim as of Date Case Filed: \$ <u>\$27,271.94</u> If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: <u>See Attached.</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: <u>n/a</u>		3a. Debtor may have scheduled account as: _____ (See instruction #3a)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____ Value of Property: \$ _____ Annual Interest Rate (when case was filed) _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____
5. Amount of Claim Entitled to Priority as an Administrative Expense under 11 U.S.C. §§ 503(b)(9) and 507(a)(2).		\$ _____
5b. Amount of Claim Otherwise Entitled to Priority. Specify Applicable Section of 11 U.S.C. § _____.		\$ _____
6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		
7. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain: _____		
8. Signature: (See instruction # 8) Check the appropriate box. <input type="checkbox"/> I am the creditor. <input checked="" type="checkbox"/> I am the creditor's authorized agent. <input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. <input type="checkbox"/> I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3004.) (See Bankruptcy Rule 3005.) I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief. Print Name: <u>John Colucci</u> Title: <u>Attorney and Agent</u> Company: <u>Law Offices of John Colucci</u> Address and telephone number (if different from notice address above): <u>33659 Angeline, Livonia, MI 48150</u> <u>734.956.0660 coluccilawfirm@gmail.com</u> Telephone number: _____ email: _____		

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Law Offices of
John Colucci, PLC
33659 Angeline
Livonia, MI 48150
Telephone (734) 956-0660
Fax (734) 956-0661
coluccilawfirm@gmail.com

February 14, 2014

Via Priority Mail
City of Detroit Claims Processing Center
C/O KCC
2335 Alaska Ave.
El Segundo, CA 90245

Re: In Re City of Detroit, Ch 9, Case No. 13-53846

To Whom it May Concern:

Please find enclosed and original and copy of the Proof of Claim of General Shale Brick Company. Please file in your usual manner and return a time stamped copy in the enclosed return mailer.

Please call with any questions.

Sincerely,



John Colucci

Enc.

Supplement to General Shale Brick Proof of Claim

- A. General Shale served a pre-petition Writ of Garnishment (the "Garnishment") on the City of Detroit in connection with certain litigation styled **Beydoun v. City of Detroit** (a copy of which is attached as **Exhibit A**);
- B. Prior to service of the Garnishment, a jury verdict was returned in favor of Beydoun and against the City of Detroit in the proceedings styled **Beydoun v. City of Detroit, et. al.**, Wayne County Circuit Court, Case No. 09-026647-NI in an amount exceeding \$2,000,000.00 (the "Verdict") (a copy of which is attached as **Exhibit B**);
- C. Judgment has been entered on the Verdict and affirmed by the Michigan Court of Appeals, in the proceedings styled **Michael Beydoun v. Charles Benjamin Wills, Jr., et. al.**, Court of Appeals No. 304729 (the "Appeal");
- D. The City of Detroit sought leave to appeal to the Michigan Supreme Court, but on information and belief, further review has been stayed as a result of these Chapter 9 proceedings.
- E. Mr. Beydoun and/or his authorized agent has filed a claim in these Chapter 9 proceedings, with said claim being identified as Claim No. 201 (the "Beydoun Claim").
- F. On or about August 30, 2011, an Order was entered directing the City of Detroit to pay General Shale the sum of (\$27,271.94) (a true copy of the Order is attached as Exhibit C).
- G. General Shale has a right to payment from the City of Detroit on account of the Beydoun Claim and therefore has filed this Claim.

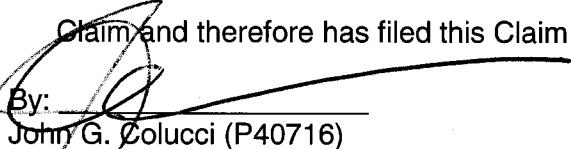
By: 
John G. Colucci (P40716)
33659 Angeline
Livonia, MI 48150
(734) 956.0660
Attorney for General Shale Brick, Inc.
734.956.0660

EXHIBIT A

Approved, SCAO

Original - Court
1st copy - Garnishee
2nd copy - Defendant

3rd copy - Return (proof of service)
4th copy - Plaintiff/Attorney (proof)

• **STATE OF MICHIGAN**
20 JUDICIAL DISTRICT
JUDICIAL CIRCUIT

**REQUEST AND WRIT FOR GARNISHMENT
(NON-PERIODIC)**

• **CASE NO.**

06-44397-GCT

Court address

25637 Michigan Ave., Dearborn Heights, MI

• Zip code

48125

Court telephone no.

(313) 277-7840

Plaintiff name and address

General Shale Brick, Inc.
c/o John Colucci
33659 Angeline, Livonia, MI 48150

Plaintiff's attorney, bar no., and address

- John Colucci P40716
- 33659 Angeline
- Livonia, MI 48150
- Telephone no.

734.956.0660

Defendant name and address

Michael Beydoun
6307 Heyden
Dearborn Heights, MI 48127

• Social security no.

Account no.

Garnishee name and address

City of Detroit
C/O Law Dept. 660 Woodward Ave., Ste 1650
First National Building, Detroit, MI 48226

REQUEST

1. Plaintiff received judgment against defendant for \$ 25,140.07 on June 28, 2007
2. The amount of the unsatisfied judgment now due (including interest and costs) is • \$ 27,271.94
3. Plaintiff knows or with good reason believes that the garnishee is indebted to or possesses or controls property belonging to the defendant.
4. **Plaintiff requests** a writ of non-periodic garnishment.

I declare that the statements above are true to the best of my information, knowledge, and belief.

Date

4/28/2011

Plaintiff/Agent/Attorney signature

WRIT OF GARNISHMENT

To be completed by the court. See other side for additional information and instructions.

TO THE PLAINTIFF: You must provide all copies of the disclosure form (MC 14), 2 copies of this writ for serving on the garnishee, and any applicable disclosure fee. You are responsible for having these documents served on the garnishee within 91 days. If the disclosure states that the garnishee holds property **other than money** belonging to the defendant, you must motion the court within 56 days after the disclosure is filed for an order to apply the property toward the judgment.

TO THE DEFENDANT:

1. Do not dispose of any negotiable instrument representing a debt of the garnishee or any negotiable instrument of title representing property in which you claim an interest held in the possession or control of the garnishee.
2. You have **14 days** after this writ is mailed or delivered to you to file objections with the court. If you do not take this action within this time, without further notice, the property or debt held under this writ may be applied to the judgment **28 days** after this writ was mailed or delivered to the garnishee.

TO THE GARNISHEE:

1. Within **7 days** after you are served with this writ, you must deliver a copy of this writ to the defendant in person or mail a copy to his or her last known address by first class mail.
2. Deliver no tangible or intangible property and pay no obligation to the defendant unless allowed by statute or court rule.
3. Within **14 days** after you are served with this writ, you must deliver or mail copies of your verified disclosure (form MC 14) to the court, plaintiff/attorney, and defendant. A default may be entered against you for failure to comply with this order.
4. If indebted to the defendant, you must withhold an amount not to exceed the amount of the judgment stated in item 2. of the request. Payment of withheld funds must be made **28 days** after you are served with this writ unless notified that an objection has been filed.

You are ordered to make the payment withheld under this writ payable to

and mail it to: ☐ the plaintiff ☒ the plaintiff's attorney ☐ the court
☐ the plaintiff ☒ the plaintiff's attorney ☐ the court

5. If you hold property other than money belonging to the defendant, do not transfer it until further order of the court.

Date of issue

Expiration date

Deputy court clerk

EXHIBIT B

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF WAYNE

MICHAEL BEYDOUN,

Plaintiff,

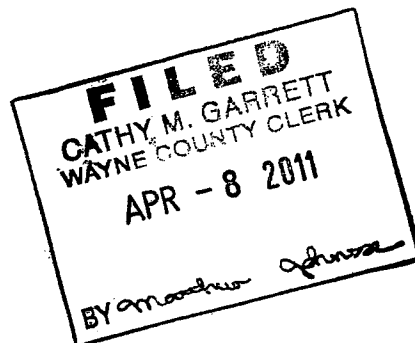
v

CHARLES BENJAMIN WILLS JR.
and CITY OF DETROIT,
jointly and severally,

Defendants.

Case No. 09-026647- NI

Hon. Robert J. Colombo, Jr.
Bar No. P25806



VERDICT FORM

We, the jury, make the following answers to the questions submitted by the Court:

QUESTION NO. 1: Was Police Officer Wills negligent?

Answer: Yes (yes or no)

If your answer is "no," do not answer any further questions.

QUESTION NO. 2: Was the Police Officer Wills' negligence a proximate cause of the injury or damage to the plaintiff?

Answer: Yes (yes or no)

If your answer is "no," do not answer any further questions.

QUESTION NO. 3: What is the total amount of plaintiff's non-economic damages for physical pain and suffering, mental anguish, denial of social pleasure and enjoyments, and/or disability including loss of impairment of neck and left arm?

Answer: To today's date \$ 125,000 . —

Future \$ 125,000 . —

QUESTION NO. 4: What is the total amount of plaintiff's economic damages for income loss?

Answer: To today's date \$ 542,405 . —

Future \$ 1,493,250 . —

QUESTION NO. 5: Was the plaintiff negligent?

Answer: Yes (yes or no)

If your answer is "no," do not answer any further questions.

QUESTION NO. 6: Was the plaintiff's negligence a proximate cause of the injury or damage to the plaintiff?

Answer: Yes (yes or no)

If your answer is "no," do not answer any further questions.

QUESTION NO. 7: Using 100 percent as the total combined negligence which proximately caused the injury or damage to the plaintiff, what percentage of such negligence is attributable to the plaintiff?

Answer: 10. percent

Please note that the Court will reduce the total amount of plaintiff's damages entered in Questions No. 3 and 4 by the percentage of negligence attributable to plaintiff, if any, entered in Question No. 7. However, Plaintiff is not entitled to non-economic damages (Question 3) if more than 50% at fault for his injuries.

Signed,

Quvette M. Chao

Foreperson

Date: Ap 8. 2011

EXHIBIT C

STATE OF MICHIGAN
IN THE 20th DISTRICT COURT

GENERAL SHALE BRICK, INC.

PLAINTIFF,

CASE NO. 06-44397-GCT

V.

NATIONAL SPECIALITIES INSTALLATION, INC.
and MICHAEL BEYDOUN, Jointly and Severally,

DEFENDANTS.

v.

CITY OF DETROIT,

GARNISHEE DEFENDANT.

A TRUE COPY
Court Clerk
Date 8-30-11

John G. Colucci (P40716) 33659 Angeline Livonia, MI 48150 (734) 956.0660 Attorney for General Shale Brick, Inc. 734.956.0660	Mary Beth Cobb (P40080) City of Detroit Law Dept. 660 Woodward Ave., Ste 1650 First National Building Detroit, MI 48226 313-237-3075
---	---

**ORDER REGARDING PAYMENT BY
GARNISHEE DEFENDANT
CITY OF DETROIT**

At a Session of Said Court
Held on AUG 30 2011

PRESENT: DAVID D. TURFE

Plaintiff General Shale Brick, Inc. ("General Shale"), by its undersigned attorneys, pursuant to the Michigan Rules of Court ("MRCP") and Garnishee Defendant City of Detroit ("Detroit") stipulate and agree as follows:

- A. General Shale served a Writ of Garnishment (the "Garnishment") on the City of Detroit in connection with the above captioned matter (a copy of which is attached as **Exhibit A**);
- B. The City of Detroit acknowledged service of process;

- C. The City of Detroit filed its Garnishee Disclosure denying liability to Defendant Beydoun.
- D. Prior to service of the Garnishment, a jury verdict was returned in favor of Beydoun and against the City of Detroit in the proceedings styled Beydoun v. City of Detroit, et. al., Wayne County Circuit Court, Case No. 09-026647-NI in an amount exceeding \$2,000,000.00 (the "Verdict") (a copy of which is attached as **Exhibit B**);
- E. Judgment has been entered on the Verdict and the City of Detroit has appealed the Judgment, in the proceedings styled Michael Beydoun v. Charles Benjamin Wills, Jr., et. al., Court of Appeals No. 304729 (the "Appeal");
- F. General Shale served interrogatories and discovery requests within the time permitted under MCR 3.101(L);
- G. A copy of the Garnishment has been served on Mr. Beydoun and no objections have been filed or served;
- H. The Court being otherwise advised in the premises.

NOW, THEREFORE, IT IS HEREBY ORDERED THAT, upon the conclusion of the Appeal filed by the City of Detroit, whether by dismissal, stipulation ^{settlement} or other order of the Court of Appeals, the City of Detroit shall pay to General Shale Brick, from amounts otherwise due Beydoun under the Judgment as entered or modified, the amount due under the Garnishment (\$27,271.94) by check payable to the Colucci Client Trust Account and delivered to attorney John Colucci, 33659 Angeline, Livonia MI 48150, 734.956.0660.

IT IS FURTHER ORDERED THAT pursuant to Michigan Rule of Court 3.101, the garnishment served on the City of Detroit shall remain in full force and effect until further order of the Court and the City of Detroit shall pay no obligation to the Defendant Beydoun until further order of the Court, *OR PAYMENT TO GENERAL SHALE BRICK IN ACCORDANCE WITH THE PARAGRAPH IMMEDIATELY ABOVE.*

IT IS FURTHER ORDERED THAT the Court shall retain jurisdiction to enforce this Order.

By: 

District Court Judge

8/30/11

By: _____

John G. Colucci (P40716)
33659 Angeline
Livonia, MI 48150
(734) 956.0660
Attorney for General Shale Brick, Inc.
734.956.0660

By: _____

Mary Beth Cobb (P40080)
City of Detroit Law Dept.
660 Woodward Ave., Ste 1650
First National Building
Detroit, MI 48226
313-237-3075

EXHIBIT 6-2

Claim 201

B10 (Official Form 10) (04/13) (Modified)

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT of MICHIGAN		<div style="font-size: 2em; font-weight: bold; margin: 0;">FILED</div> <div style="font-size: 0.8em; margin: 0;">CHAPTER 9 PROOF OF CLAIM</div>
Name of Debtor: City of Detroit, Michigan		<div style="font-size: 1.5em; font-weight: bold; margin: 0;">2013 DEC 11 AM 11:03</div> <div style="font-size: 0.8em; margin: 5px 0;">U.S. BANKRUPTCY COURT EASTERN DISTRICT of MICHIGAN - DETROIT</div> <div style="font-size: 0.8em; margin: 0;"> <input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____ <input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars. </div>
Case Number: 13-53846		
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): Michael Beyrorn & his attorney - Raymond Guzall III		
Name and address where notices should be sent: RAYMOND GUZALL III, P.C. 3155 West Fourteen Mile Rd, Suite 320 Farmington Hills, MI 48334		
Telephone number: 248 762-6122 email: RAY GUZALL @ ATTORNEYGUZALL.COM		
Name and address where payment should be sent (if different from above):		
Telephone number: _____ email: _____		
1. Amount of Claim as of Date Case Filed: \$ <u>2,334,113.50</u> <i>through Dec. 31, 2013, and interest is still accruing</i> If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. <input checked="" type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: <u>JUDGMENT AND COURT ORDER</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: <u>Court Case # 09-026647 MI</u>		3a. Debtor may have scheduled account as: (See instruction #3a)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, and provide the requested information. Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____ Value of Property: \$ _____ Annual Interest Rate (when case was filed) _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____
5. Amount of Claim Entitled to Priority as an Administrative Expense under 11 U.S.C. §§ 503(b)(9) and 507(a)(2).		\$ _____
5b. Amount of Claim Otherwise Entitled to Priority. Specify Applicable Section of 11 U.S.C. § _____.		\$ _____
6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		
7. Documents: Attached are redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, security agreements, or, in the case of a claim based on an open-end or revolving consumer credit agreement, a statement providing the information required by FRBP 3001(c)(3)(A). If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".) DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING. If the documents are not available, please explain:		
8. Signature: (See instruction #8) Check the appropriate box. <input checked="" type="checkbox"/> I am the creditor. <input checked="" type="checkbox"/> I am the creditor's authorized agent. <input type="checkbox"/> I am the trustee, or the debtor, or their authorized agent. <input type="checkbox"/> I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.) <i>AS TO ATTORNEY FEES AND COSTS AS TO JUDGMENT</i> I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief. Print Name: <u>RAYMOND GUZALL III</u> Title: <u>ATTORNEY</u> Company: <u>RAYMOND GUZALL III P.C.</u> Address and telephone number (if different from notice address above): _____ Telephone number: _____ email: _____		

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

KURTZMAN CARSON CONSULTANTS

13-53846-tjt Doc 11623 Filed 10/13/16 Entered 10/16/16 13:07:17 Page 25 of 34

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STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF WAYNE

MICHAEL BEYDOUN,

Plaintiff,

v

CHARLES BENJAMIN WILLS JR.
and CITY OF DETROIT,
jointly and severally,

Defendants.

Beydoun, Michael v Wills, Charles
Hon. Robert J Colombo, Jr. 10/29/2009



09-026647-NI

Barry A. Seifman (P20197)
Raymond Guzall III (P60980)
SEIFMAN & GUZALL, P.C.
Attorney for Plaintiff
30665 Northwestern Hwy. #255
Farmington Hills, MI 48334
(248)538-0711

Marion R. Jenkins (P26257)
Assistant Corporation Counsel
Attorney for Defendant City of Detroit
660 Woodward Avenue, Suite 1650
Detroit, Michigan 48226
(313) 237-3032

**ORDER OF JUDGMENT AGAINST CITY OF DETROIT
IN FAVOR OF PLAINTIFF MICHAEL BEYDOUN**

At a session of said Court, held in the City of
Detroit, County of Wayne, State of Michigan,
on _____

APR 26 2011

PRESENT: HON. _____ **ROBERT J. COLOMBO, JR**
HON. ROBERT J. COLOMBO, JR.

This matter having come before the Court, and tried before a jury, and the jury rendering a verdict on April 8, 2011, and the Court being fully advised in the premises:

IT IS HEREBY ORDERED that judgment is entered in favor of Plaintiff in the amount of \$125,000.00 for non-economic damages from the date of Plaintiff's injury to the date of the jury verdict and \$125,000.00 for future non-economic damages,

against the Defendant, City of Detroit.

IT IS FURTHER ORDERED that judgment is entered in favor of Plaintiff in the amount of \$542,405.00 from the date of Plaintiff's injury to the date of the jury verdict as economic damages against the City of Detroit, and \$1,493,250.00 in future economic damages against the Defendant, the City of Detroit.

IT IS FURTHER ORDERED that the above judgment amounts against the Defendant, City of Detroit, are reduced by 10% for comparative negligence pursuant to the jury's verdict. Therefore, it is ordered that the total jury verdict amount of \$2,285,655.00 is reduced by 10%, which equates to \$228,565.50.

Therefore, IT IS ORDERED that the total judgment in favor of Plaintiff, Michael Beydoun, and against Defendant, the City of Detroit, is \$2,056,998.50.

IT IS FURTHER ORDERED that Defendant, Charles Benjamin Wills Jr., is dismissed from the case as of April 7, 2011, as ordered by the Court, after hearing oral arguments from both attorneys in open Court.

IT IS FURTHER ORDERED that Plaintiff, Michael Beydoun, shall be awarded costs and interest as provided by law, and that case evaluation sanctions shall be awarded upon presentment of such proofs to the Court after entry of this Order of Judgment, in accord with the law. This does not close the case because costs, interest and case evaluation sanctions will remain outstanding after entry of this Order.

CERTIFIED
TRUE COPY
BY BYRON B. KANE
DEPUTY CLERK

ROBERT J. COLOMBO, JR.

HONORABLE ROBERT J. COLOMBO, JR.

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF WAYNE

MICHAEL BEYDOUN,

Plaintiff,

v

CHARLES BENJAMIN WILLS JR.
and CITY OF DETROIT,
jointly and severally,

Defendants.

Case No. 09-026647- NI

Hon. Robert J. Colombo, Jr.
Bar No. P25806

Barry A. Seifman (P20197)
Raymond Guzall III (P60980)
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(248)538-0711

Marion R. Jenkins (P26257)
Assistant Corporation Counsel
Attorney for Defendant City of Detroit
660 Woodward Avenue, Suite 1650
Detroit, Michigan 48226
(313) 237-3032

**ORDER GRANTING PLAINTIFF'S MOTION FOR COSTS,
ATTORNEY FEES AND STATUTORY INTEREST**

At a session of said Court, held in the City of
Detroit, County of Wayne, State of Michigan,
on JUN - 3 2011

PRESENT: HON. ROBERT J. COLOMBO, JR.
HON. ROBERT J. COLOMBO, JR.

This parties having appeared before the Court through their counsel upon
Plaintiff's Motion for Costs and Attorney Fees Pursuant to Case Evaluation
Sanctions under MCR 2.403 and other applicable law and for statutory interest,
arguments having been heard and the Court being otherwise advised in the
premises:

IT IS HEREBY ORDERED that costs are awarded to Plaintiff in the amount

of \$ 4,231.08, up to the date of this Order.

IT IS FURTHER ORDERED that attorney fees are awarded to Plaintiff's attorneys in the amount of \$ \$25,650.00 for the reasons stated on the record.

IT IS ALSO FURTHER ORDERED that statutory interest is awarded in the amount of \$ 108,200.25 up to the date of June 30, 2011, and that statutory interest will continue to accrue according to law until the judgment and all outstanding monies owed are paid in full by Defendant City of Detroit.

IT IS FURTHER ORDERED THAT DEFENDANT'S MOTION FOR NEW TRIAL IS DENIED. THIS ORDER CLOSES THE CASE.

ROBERT J. COLOMBO, JR.

HONORABLE ROBERT J. COLOMBO, JR.

A TRUE COPY
CATHY M. GARRETT
WAYNE COUNTY CLERK
BY [Signature]
JULY 13, 2011

[Signature]
Raymond Garrett

[Signature]
MARION R. JENKINS

**INTEREST UPON JUDGEMENT, FEES AND COSTS
BEYDOUN V CITY OF DETROIT 09-026647-NI**

\$2,056,998.50 Judgment on April 26, 2011

Interest upon the Judgment through June 30, 2011 = \$108,200.25

Attorney fee ordered on June 3, 2011 = \$25,650.00

Costs ordered on June 3, 2011 = \$4,231.08

October 29, 2009 date of complaint filed

JUDGMENT INTEREST

July 1, 2011 – 3.007%

$(\$2,056,998.50 + \text{interest through June 30, 2011 } \$108,200.25 = \$2,184,600.00 \times .03007 = \$65,690.92 / 365 \text{ days} = \$179.97 \text{ per day})$

184 days x \$179.97 per day = \$33,115.42

$\$2,184,600.00 + \$33,115.42 = \$2,217,715.40$

\$2,217,715.40 = amount owed on judgment up to December 31, 2011.

January 1, 2012 - 2.083%

$(\$2,217,715.40 \times .02083 = \$46,195.01 / 366 \text{ days} = \$126.21 \text{ per day})$

181 days x \$126.21 per day = \$22,844.01 (interest from 1-1-12 to 6-30-12)

July 1, 2012 - 1.871%

$(\$2,217,715.40 \times .01871 = \$41,493.45 / 366 \text{ days} = \$113.37 \text{ per day})$

185 days x \$113.37 per day = \$20,973.45 (interest from 7-1-12 to 12-31-12)

compounding \$22,844.01 + \$20,973.45 = \$43,817.46

$\$2,217,715.40 + \$43,817.46 = \underline{\$2,261,532.80}$ amount owed on judgment up to December 31, 2012.

January 1, 2013 - 1.687%

$(\underline{\$2,261,532.80} \times .01687 = \$38,152.05 / 365 = \$104.52 \text{ per day})$

181 days x \$104.52 per day = \$18,918.12 (interest from 1-1-13 to 6-30-13)

July 1, 2013 - 1.944%

$(\$2,261,532.80 \times .01944 = \$43,964.19 / 365 = \$120.44 \text{ per day})$.

184 days x \$120.44 per day = \$22,160.96 (interest from 7-1-13 to 12-31-13)

compounding \$18,918.12 + \$22,160.96 = \$41,079.08

$\$2,261,532.80 + \$41,079.08 = \underline{\$2,302,611.80}$ (Total Judgment and interest upon judgment through December 31, 2013).

INTEREST ON ATTORNEY FEES

\$25,650.00

July 1, 2011 – 3.007%

$(\$25,650.00 \times .03007 = \$771.29 / 365 \text{ days} = \$2.113 \text{ per day})$

184 days x \$2.113 per day = \$388.81

January 1, 2012 - 2.083%

$(\$25,650.00 \times .02083 = \$551.99 / 366 \text{ days} = \$1.508 \text{ per day})$

181 days x \$1.508 per day = \$272.97 (interest from 1-1-12 to 6-30-12)

compound \$388.81 + \$272.97 = \$661.78

$\$25,650.00 + \$661.78 = \underline{\$26,311.78}$

July 1, 2012 - 1.871%

$(\underline{\$26,311.78} \times .01871 = \$492.29 / 366 \text{ days} = \$1.345 \text{ per day})$

185 days x \$1.345 per day = \$248.83 (interest from 7-1-12 to 12-31-12)

January 1, 2013 - 1.687%

$(\underline{\$26,311.78} \times .01687 = \$443.87 / 365 = \$1.216 \text{ per day})$.

181 days x \$1.216 per day = \$220.11 (interest from 1-1-13 to 6-30-13)

compound \$248.83 + \$220.11 = \$468.94

July 1, 2013 - 1.944%

$(\underline{\$26,780.07} \times .01944 = \$520.61 / 365 = \$1.426 \text{ per day})$.

184 days x \$1.426 per day = \$262.44 (interest from 7-1-13 to 12-31-13)

\$26,780.07 + \$262.44 = \$27,042.51 (Total attorney fees and interest upon attorney fees through December 31, 2013).

INTEREST ON COSTS

\$4,231.08

July 1, 2011 – 3.007%

$(\$4,231.08 \times .03007 = \$127.22 / 365 \text{ days} = \$.348 \text{ per day})$

184 days x \$.348 per day = \$64.13

January 1, 2012 - 2.083%

$(\$4,231.08 \times .02083 = \$88.13 / 366 \text{ days} = \$.24 \text{ per day})$

181 days x \$.24 per day = \$43.44 (interest from 1-1-12 to 6-30-12)

compound \$64.13 + \$43.44 = \$107.57

\$4,231.08 + \$107.57 = \$4,338.65

July 1, 2012 - 1.871%

(\$4,338.65 x .01871 = \$81.17 / 366 days = \$.22 per day)

185 days x \$.22 per day = \$41.03 (interest from 7-1-12 to 12-31-12)

January 1, 2013 - 1.687%

(\$4,338.65 x .01687 = \$73.19 / 365 = \$.20 per day).

181 days x \$.20 per day = \$36.29 (interest from 1-1-13 to 6-30-13)

compound \$41.03 + \$36.29 = \$77.32

July 1, 2013 - 1.944%

(\$4,415.97 x .01944 = \$85.84 / 365 = \$.235 per day).

184 days x \$.235 per day = \$43.27 (interest from 7-1-13 to 12-31-13)

\$4,415.97 + \$43.27 = \$4,459.24 (Total costs and interest upon costs through December 31, 2013).

\$2,302,611.80 + \$27,042.51 + \$4,459.24 = \$2,334,113.50 total owed through 12-31-13

EXHIBIT 6-3

Kajy Development, L.L.C. Garnishment

Approved, SCAO

Original - Court (Part 1)
1st copy - Garnishee (Part 2)
2nd copy - Defendant (Part 2)

3rd copy - Return (proof of service) (Part 1)
4th copy - Plaintiff/Attorney (proof) (Part 2)

• STATE OF MICHIGAN
JUDICIAL DISTRICT
3rd JUDICIAL CIRCUIT

REQUEST AND WRIT FOR GARNISHMENT
(NONPERIODIC)

• CASE NO.

07-713584-C
Hon. Prentis Edwards

Court address

• Zip code

Court telephone no.

201 CAYMC, Two Woodward Avenue, Detroit, MI 48226

(313) 224-5510

Plaintiff name and address (judgment creditor)

Kajy Development, L.L.C.
805 Baldwin Avenue
Pontiac, MI 48340

Plaintiff's attorney, bar no., and address

• David W. Yaldo (P36817)
• 4036 Telegraph Road, Suite 204
• Bloomfield Hills, MI 48302
• Telephone no.
(248) 645-1500

Defendant name and address (judgment debtor)

Michael Beydoun
6307 Heyden
Dearborn Heights, MI 48127

Social security no.

Account no.

Garnishee name and address

City of Detroit, Attn: Law Department
660 Woodward Avenue, Suite 1650
Detroit, MI 48226

REQUEST See instructions for item 2 on other side.

1. Plaintiff received judgment against defendant for \$ 148,000.00 on October 15, 2007
2. The total amount of judgment interest accrued to date is \$ 20,017.21. The total amount of postjudgment costs accrued to date is \$ 0.00. The total amount of postjudgment payments and credits made to date is \$ 0.00. The amount of the unsatisfied judgment now due (including interest and costs) is \$ 168,017.21.
3. Plaintiff knows or with good reason believes the garnishee is indebted to or possesses or controls property belonging to defendant.
4. Plaintiff requests a writ of nonperiodic garnishment.

I declare that the statements above are true to the best of my information, knowledge, and belief.

05/18/2011

Date

Plaintiff/Agent/Attorney signature

WRIT OF GARNISHMENT

To be completed by the court. See other side for additional information and instructions.

TO THE PLAINTIFF: You must provide all copies of the disclosure form (MC 14), two copies of this writ for serving on the garnishee, and \$1.00 disclosure fee. You are responsible for having these documents served on the garnishee within 91 days. If the disclosure states that the garnishee holds property **other than money** belonging to the defendant, you must motion the court within 56 days after the disclosure is filed for an order to apply the property toward the judgment. **NOTE:** The social security number field is blacked out on the court copies for security reasons, but will appear on the garnishee, defendant, and plaintiff copies.

TO THE DEFENDANT:

1. Do not dispose of any negotiable instrument representing a debt of the garnishee or any negotiable instrument of title representing property in which you claim an interest held in the possession or control of the garnishee.
2. You have **14 days** after this writ is mailed or delivered to you to file objections with the court. If you do not take this action within this time, without further notice, the property or debt held under this writ may be applied to the judgment **28 days** after this writ was mailed or delivered to the garnishee.

TO THE GARNISHEE:

1. Within **7 days** after you are served with this writ, you must deliver a copy of this writ to the defendant in person or mail a copy to his or her last-known address by first-class mail.
2. Deliver no tangible or intangible property and pay no obligation to the defendant unless allowed by statute or court rule.
3. Within **14 days** after you are served with this writ, you must deliver or mail copies of your verified disclosure (form MC 14) to the court, plaintiff/attorney, and defendant. A default may be entered against you for failure to comply with this order.
4. If indebted to the defendant, you must withhold an amount not to exceed the amount of the judgment stated in item 2 of the request. Payment of withheld funds must be made **28 days** after you are served with this writ unless notified that an objection has been filed.

You are ordered to make the payment withheld under this writ payable to

☒ the plaintiff
and mail it to: ☐ the plaintiff.

☐ the plaintiff's attorney
☒ the plaintiff's attorney.

☐ the court
☐ the court.

5. If you hold property other than money belonging to the defendant, do not transfer it until further order of the court.

MAY 20 2011

AUG 19 2011

Date of issue

Expiration date for service

Deputy court clerk